



May 9, 2014

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## **Notice Regarding Revision of Mid-term Business Plan “Value Creation 15”**

Punch Industry Co., Ltd. (hereinafter Punch Industry) announces that it decided at the board of directors meeting held today to revise the mid-term business plan “Value Creation 15”, which was announced on November 11, 2013 as follows in light of the recent performance trends.

Last year, Punch Industry formulated three-year period mid-term business plan named “Value Creation 15”, with the fiscal year ending March 2016 as the final year. Punch Industry is working on its priority business challenges, globalization, expansion of new markets, and conversion to high profitability business model with “offence (growth strategy)” and “defense (reformation of its organization and business structure)” and promoting strategic expansion initiatives, in order to realize the corporate vision “aim to become the leading brand in the mold and die components industry and achieve high profitability by harnessing our competitive advantage as a comprehensive manufacturing and sales company.”

### 1. Reason for the revision

The upward revision in the numerical targets of the mid-term business plan is made by taking into account the prospect of achieving net sales of JPY 30 billion by the fiscal year ending March 2015, a year ahead of the original plan for the fiscal year ending March 2016, and review and adjustment of CNY exchange rate in view of last year’s foreign exchange markets.

### 2. Overview of the revision

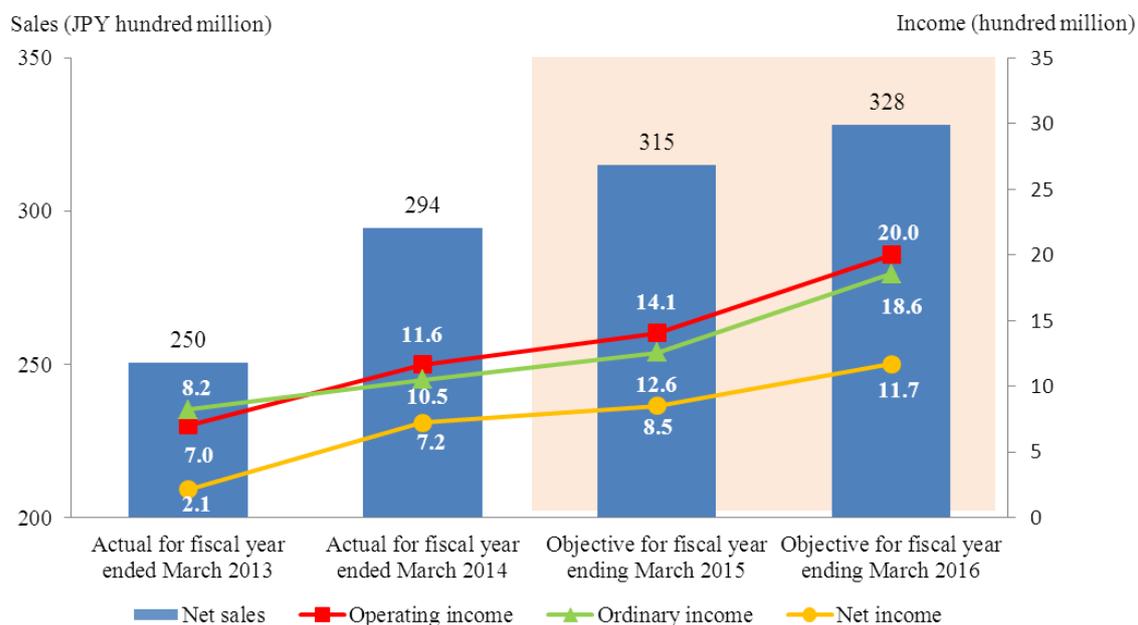
#### (1) Comparison of the initial target and the revised target

(Unit: JPY million)

|                  | Initial target       |                      | Revised target       |                      | Difference           |                      |
|------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
|                  | FY ending March 2015 | FY ending March 2016 | FY ending March 2015 | FY ending March 2016 | FY ending March 2015 | FY ending March 2016 |
| Net sales        | 28,888               | 30,485               | 31,500               | 32,800               | 2,612                | 2,315                |
| Operating income | 1,328                | 2,000                | 1,405                | 2,000                | 77                   | 0                    |
| Ordinary income  | 1,226                | 1,856                | 1,256                | 1,856                | 30                   | 0                    |
| Net income       | 788                  | 1,169                | 848                  | 1,169                | 60                   | 0                    |

(2) Business objective (consolidated results)

We will target to achieve sales of JPY 32 billion and operating income of JPY 2 billion.



(Notes)

The forecasts above are based on the information available at the time of publication and assumptions that are deemed rational. The actual results may differ from the figures presented above due to a variety of factors.

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